Action taken by MRTPC tyre Manufacturers

1410. SHRI SUBAS MOHANTY: Will the Minister of INDUSTRY be pleased to state :

(a) whether tyre manufacturers have formed a cartel to keep the prices of tyres high;

(b) if so, whether the Monopolies and Restrictive Trade Practices Commission has taken action in this matter; and

(c) if so, what are the results thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) to (c) The MRTP Commission has so far instituted three enquiries in respect of forming of cartels by the tyre manufacturing companies. In the first enquiry, the Commission issued a cease and desist order on 19-4-76. The second enquiry was concluded by the Commission on 24-3-83 by accepting undertakings from the concerned companies. The proceedings in the third enquiry, instituted in April, 1985, have been stayed by Delhi High Court.

Complaint against Development Commissioner (Drugs)

1411. SHRI SUBAS MOHANTY: Will the Minister of INDUSTRY be pleased to state :

(a) whether the examination of alleged irregularities and complaints against the Office of the Development Commissioner (Drugs) has since been completed; and

(b) if so, what are the findings of the inquiry and action taken thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) No, Sir.

(b) Does not arise.

Passing on of excise duty relief on light Commercial vehicles by manufacturers to buyers

†1412. SHRI PARVATHANENI UPENDRA : Will the Minister of INDUSTRY be pleased to state :

(a) whether it is a fact that the 50 per cent excise relief announced recently by the Government on fuel efficiency light commercial vehicles has not been passed on by the manufacturers to the buyers;

(b) if so, whether Government have taken any steps to ensure that this excise relief is passed on to the buyers; and

(c) whether Government have conducted any study through the Bureau of Industrial Costs and Prices into the jutification for the frequent price increase by the light commercial vehicle manufacturers?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) and (b) The new light commercial vehicle manufacturers faced severe constraints in the recent past on account of high cost and low production. This situation was aggravated by unforeseen and unexpected factors like the steep appreciation of the Japanese Yen, particularly when these units were in the initial phase of commercial production and had not fully absorbed the manufacturing technology. It is in this background Government reduced the excise duty to 10 per cent *ad valorem*, for fuel efficient light commercial vehicles of payload not exceeding 4000 Kgs. It is expected that with fiscal incentives the units would be able to overcome severe financial constraints and achieve the approved indigenisation programme which would make the units viable. It is also expected that with faster indigenisation the impact of appreciation of the Japanese Yen would be reduced and the manufacturers would

†Previously Unstarred Question 1280, transferred from the 30th April, 1987.

be able to offer reasonable prices to the customers.

(c) No, Sir.

Assurance to Parliament for Electoral Reforms

1413. SHRI ASHWANI KUMAR :
SHRI SHANKER SINH VAGHELA:

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the dates on which the Government assured Parliament during the last 3 Plan periods and each of the last three years that proposals for electoral reforms were under consideration and that Government would very soon consult political parties in this regard; and

(b) whether the contemplated meetings with political parties have since taken place, if so, when and with what results?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ): (a) No separate record has been maintained regarding such assurances given during the last 3 plan periods. Government have all along been of the view that final decision in regard to electoral matters should be taken after consultation with the political parties. This was first conveyed in the President's address to the two Houses of Parliament on the 17th January, 1985. Thereafter, Government's view was reiterated in reply to over forty Questions, in the two Houses of Parliament during the years 1984, 1985 and 1986, besides in replies to discussions in the two Houses on the subject of electoral reforms.

(b) Soon after the present Government took over, it consulted the political parties in January, 1985, with regard to the Anti-Defection measures and the consensus that emerged during such consultation led to the enactment of the Constitution (Fifty-second Amendment) Act. Discussions with the political parties on the package of proposals for electoral reforms made by the Election Commission in 1986 are yet to be held.

1414. [*Transferred to the 5th May,* 1987]

Khadi and Village Industries Commission

1415. SHRI SUBAS MOHANTY: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to widen the scope of activities of the Khadi and Village Industries Commission;

(b) if so, what is the revised definition of village Industry;

(c) what was the rise in the level of production by village industries during the last three years; and

(d) what incentives have been provided to the village industries by Central Government and the States through the commission or otherwise?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM): (a) Yes, Sir. A Bill to amend the Khadi and Village Industries Commission Act to this effect is currently under consideration in Parliament.

(b) A Sttatement is attached. z(*See* below).

(c) The Village Industries production in terms of value has increased from Rs. 722.16 crores in 1983-84 to Rs. 807.06 crores in 1984-85 and to Rs. 929.03 crores in 1985-86.

(d) Funds in the form of loans and grants for the development of Khadi and Village Industries are allocated under the plans by the Central Government to the Khadi and Village Industries Commission (KVIC) which in turn allocates them to the State KVI Boards, registered institutions and voluntary agencies as per the approved pattern for the development of industries. The form of financial assistance includes both loan and grant which varies from industry to industry. KVIC assistance is available for infrastructure facilities, capital expenditure on tools and equipment, working capital, interest subsidy on bank loans etc. Village industries products are also marketed through the Khadi Gramodyog Bhavans and other